

This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

LISTING STATEMENT NO. 2335

LISTED JANUARY 6, 1969

850,000 Common Shares without nominal or par value of which 50,000 share are subject to issuance.

Stock Symbol "SPL"

## Post Section 11

Dial Quotation No. 1976

# THE TORONTO STOCK EXCHANGE

## LISTING STATEMENT

# SCOTT PAPER LIMITED

Incorporated under the Laws of the Province of British Columbia under the name  
"Westminster Paper Company Limited" by Memorandum of Association  
dated July 19th, 1926;

Registrar's Certificate of Change of Name to Scott Paper Limited  
dated May 5th, 1964.

## CAPITALIZATION AS AT OCTOBER 16, 1968

SHARE CAPITAL	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Common shares without nominal or par value .....	2,000,000	800,000	850,000

## 1. APPLICATION

SCOTT PAPER LIMITED (hereinafter called the “Company”) hereby makes application for the listing on The Toronto Stock Exchange of 850,000 common shares without nominal or par value in the capital stock of the Company, of which 800,000 have been issued and are outstanding as fully paid and non-assessable. The remaining 50,000 common shares included in this application have been reserved for the Company’s Key Employees Stock Option Plan.

## 2. HISTORY

The Company was incorporated under the name "Westminster Paper Company Limited" in 1926 under the Laws of the Province of British Columbia to acquire all of the assets of the Westminster Paper Mills Limited including the goodwill thereof, and to carry on as a going concern the business of paper manufacturers carried on prior to the acquisition by the said Westminster Paper Mills Limited.

## 3. NATURE OF BUSINESS

The Company is a manufacturer of consumer and industrial paper products, which products are sold through retail, wholesale and jobber outlets. Chain stores and independent retailers market a major portion of the Company's consumer retail trademarked lines. The Company's industrial branded lines are sold chiefly through wholesale and jobber outlets. A relatively small portion of tonnage produced is sold on the export market in parent roll form and in cases.

Manufactured products are shipped direct in rail car or by truck to customers or distributed from warehouse storage facilities usually in small case lots by truck or rail. Distribution warehouse facilities are maintained in all major cities in Canada and also storage warehouses are utilized at both manufacturing sites at Crabtree Mills, P.Q., and at New Westminster, B.C.

Tons of paper products produced:

1963	63,422 tons
1964	63,979 tons
1965	62,443 tons
1966	67,349 tons
1967	68,634 tons



In the five-year period as above, the products manufactured were as follows:—

Toilet Paper	Paper Placemats
Paper Napkins	Fruit Wrappers
Paper Towels	Sanitary Napkins
Wax Paper	Wadding
Facial Tissues	Fine Papers

The Company employs a total of 1,125 employees.

#### 4. INCORPORATION

The Company was incorporated under the name Westminster Paper Company Limited under the laws of the Province of British Columbia, by memorandum of Association dated July 19th, 1926 with an authorized capital of 1,050,000 common shares without nominal or par value and by Special Resolution the following alterations to the Company's Memorandum of Association have been made:—

1. By Special Resolution passed at a general meeting of the Company on the 24th of April, 1964, and certified by the Registrar of Companies for the Province of British Columbia by Certificate dated May 5th, 1964, the name of the Company was changed to Scott Paper Limited, and
2. By Special Resolution passed at a general meeting of the Company on the 24th day of April, 1964, and certified by the Registrar of Companies for the Province of British Columbia by Certificate dated May 5th, 1964 the authorized capital of the Company was increased to 2,000,000 shares without nominal or par value.

#### 5. SHARES ISSUED DURING PAST TEN YEARS

Common Shares without nominal or par value:—

<u>Date of Issue</u>	<u>No. of Shares Issued</u>	<u>Class of Shares*</u>	<u>Amount Realized Per Share</u>	<u>Total Amount Realized</u>
November 12/58 .....	25,000*	Class A	\$14.00	\$ 350,000.00
November 12/58 .....	75,000*	Class B	14.00	1,050,000.00
December 22/59 .....	75,000	Common	14.00	1,050,000.00
December 22/60 .....	25,000	Common	14.00	350,000.00
November 15/61 .....	40,000	Common	14.00	560,000.00
August 1/62 .....	47,000	Common	14.00	658,000.00
November 1/62 .....	13,000	Common	14.00	182,000.00
1963 to date .....		NIL		

\*NOTE:— On May 12th, 1959, all issued outstanding Class A and Class B shares were converted to equivalent numbers of Common Shares; all issued outstanding shares of the Company at the date of this application are Common Shares without restrictions.

The purpose of all Treasury issues of shares in the Company during the past ten years has been the expansion of the Company's manufacturing facilities in Eastern Canada.

#### 6. STOCK PROVISIONS AND VOTING POWERS

Each Common Share carries one vote at all meetings of the Shareholders.

#### 7. DIVIDEND RECORD

<u>Pay Date</u>	<u>Rate</u>	<u>Total Dividend Paid</u>
October 31, 1958 ....	Class A .12½	\$ 1,695.12
October 31, 1958 ....	B .17½	85,126.82
January 31, 1959 ....	A .12½	4,720.75
January 31, 1959 ....	B .17½	98,390.95
April 30, 1959 ....	A .12½	4,681.75
April 30, 1959 ....	B .27½	154,699.95
May 12, 1959 ....	A .15 (extra)	5,618.10
July 31, 1959 ....	Common .17½	105,000.00
October 31, 1959 ....	Common .17½	105,000.00
January 29, 1960 ....	Common .17½	118,125.00
April 29, 1960 ....	Common .27½	185,625.00
July 29, 1960 ....	Common .17½	118,125.00
October 31, 1960 ....	Common .17½	118,125.00
January 31, 1961 ....	Common .20	140,000.00
April 30, 1961 ....	Common .20	140,000.00
July 31, 1961 ....	Common .20	140,000.00
October 31, 1961 ....	Common .20	140,000.00
January 31, 1962 ....	Common .20	148,000.00



<u>Pay Date</u>	<u>Rate</u>	<u>Total Dividend Paid</u>
April 30, 1962 ....	Common .20	148,000.00
July 31, 1962 ....	Common .20	148,000.00
October 31, 1962 ....	Common .20	157,400.00
January 31, 1963 to July 31, 1968	Common .20	160,000.00 (per quarter)

(Paid quarterly end of January, April, July and October)

The Company has not declared or delivered any stock dividends. There are no dividends in arrears.

## 8. RECORD OF PROPERTIES

### Plant site at New Westminster, British Columbia

(a) The Plant is situated in the south-west corner of the Municipality of the City of New Westminster, British Columbia, and on the north side of the north arm of the Fraser River.

(b) The area involved totals 18 acres.

(c) The buildings are modern in all respects and kept in excellent condition. Most of the buildings are solid reinforced concrete construction, housing the paper machines and converting machinery. Some of the warehouses are of concrete block construction.

Paper-making machinery and converting machinery, together with ancillary equipment and plant vehicles, are modern in all respects and kept in up-to-date condition.

(d) All property is owned outright by the Company, free of any mortgages.

### Plant site at Crabtree Mills, Quebec

(a) The location of the Plant is situated in the Village of Crabtree, about 50 miles North-east of Montreal on the banks of the Ouareau River.

(b) The area involved totals approximately 76 acres.

(c) The buildings are mostly reinforced concrete construction and are kept modern in all respects and in an excellent state of repair.

Paper-making machinery, converting equipment, ancillary equipment and plant vehicles are modern and kept in up-to-date condition.

(d) All property is owned outright by the Company, free of any mortgages.

## 9. SUBSIDIARY COMPANIES

Westminster Paper Company Limited was incorporated as a Private Company under the laws of the Province of British Columbia by Memorandum of Association dated the 14th day of October, 1964 with an authorized capital of 10,000 common shares without nominal or par value of which 2 shares have been issued for \$1.00 each, both of the said issued shares being held in trust for Scott Paper Limited by Arthur F. Armstrong (one share) and George L. O'Leary (one share) both being officers and directors of Scott Paper Limited. Until September 1968, this Company was not engaged in active operations of any type. In September 1968, this Company purchased all the assets, goodwill and trademarks of Omega Products Ltd., a Company which had, to that date, manufactured and sold disposable paper hospital garments which business Westminster Paper Company Limited is now continuing.

## 10. FUNDED DEBT

The Company has no funded debts.

## 11. OPTIONS, UNDERWRITINGS, ETC.

The Company has granted to its Key Employees, options to purchase as follows:—

<u>Date Granted</u>	<u>No. of Shares Covered By Option</u>	<u>Option Price Per Share</u>	<u>Expiry Date</u>
April 11, 1962	1750	\$36.75	April 11, 1972
Jan. 15, 1963	3500	36.75	Jan. 15, 1973
May 14, 1964	5000	30.62	Jan. 14, 1974

In each year of the terms of the above option, an employee may purchase not more than one-tenth of the shares optioned to him plus any accumulated unexercised options for previous years.

There are no underwriting agreements outstanding.

There are no issued shares of the Company held for the benefit of the Company.

## 12. LISTING ON OTHER STOCK EXCHANGES

All of the Company's 800,000 issued and outstanding shares are listed on the Vancouver Stock Exchange. The Company's shares were listed on the Vancouver Stock Exchange under the name Westminster Paper Company Limited until the close of trading on May 29th, 1964, when, due to the change in name of the Company, the shares were thereafter listed for trading as shares of Scott Paper Limited.



13. STATUS UNDER SECURITIES ACT

There have been no filings, registration approval or qualifications with, or by the Ontario Securities Commission or any corresponding governmental body or authority.

14. FISCAL YEAR

The fiscal year of the Company ends December 31st, 1968.

15. ANNUAL MEETINGS

The Annual General Meeting of the Company shall be held at the head office of the Company, or at such other place in the Province of British Columbia on such date in each year as the Board of Directors may determine from time to time.

The Companies Act of British Columbia also provides that the Annual General Meeting may be held outside the Province of British Columbia upon an application for such purpose being accepted by the Registrar of Companies for the Province of British Columbia.

The last Annual Meeting was held at the Company's head office on April 19th, 1968.

16. HEAD AND OTHER OFFICES

The Head Office is located at the Corner of 5th Avenue and 16th Street, New Westminster, British Columbia, Canada. The Company also has a manufacturing plant and office at Crabtree Mills, Quebec, and sales offices in Vancouver, Winnipeg, Toronto, Montreal and Halifax.

17. TRANSFER AGENT

The Transfer Agent of the Company is:—

CANADA TRUST COMPANY OF CANADA  
110 Yonge Street,  
Toronto, Ontario

and

901 West Pender Street,  
Vancouver 1, British Columbia.

18. TRANSFER FEE

No fee is charged on Stock Transfers other than the customary Government Stock Transfer Taxes.

19. REGISTRAR

The Registrar of the Company is:—

CANADA TRUST COMPANY OF CANADA  
110 Yonge Street,  
Toronto, Ontario

and

901 West Pender Street  
Vancouver 1, British Columbia.

20. AUDITORS

The auditors of the Company are:

PRICE, WATERHOUSE & CO.  
Chartered Accountants,  
Marine Building,  
Vancouver, British Columbia.

21. OFFICERS

The Officers of the Company are:—

<u>Name</u>	<u>Office</u>	<u>Home Address</u>
Charles Bentall	Honorary Chairman	1531 Davie Street Vancouver 5, B.C.
Arthur F. Armstrong	President	630 Southborough Drive West Vancouver, B.C.
George L. O'Leary	Executive Vice-President	985 King George's Way West Vancouver, B.C.



<u>Name</u>	<u>Office</u>	<u>Home Address</u>
Robert T. Stewart	Vice-President of Marketing	375 St. James Crescent West Vancouver, B.C.
Horace F. Winchell	Vice-President of Manufacturing	#301, 75 Glengarry Town of Mount Royal, P.Q.
W. Carl Carlson	Treasurer and Assistant Secretary	1941 West 61st Avenue Vancouver, B.C.
Peter J. Peters	Comptroller and Secretary	2510 Queens Avenue West Vancouver, B.C.
Bernard A. Goulet	Assistant Secretary	4361 Mariette Avenue Montreal, P.Q.
John J. Herb	Assistant Secretary	4890 Hudson Street Vancouver 9, B.C.
Albert C. Plant	Assistant Vice-President of Administration	6211 Adera Street Vancouver 13, B.C.
H. Peter Sanagan	Assistant Vice-President of Marketing	970 Eyremont Drive West Vancouver, B.C.
Douglas Holme	Assistant Vice-President of Manufacturing	936 Selkirk Crescent Harbour Chines Coquitlam, B.C.

22.

## DIRECTORS

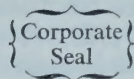
The Directors of the Company are:—

<u>Name</u>	<u>Home Address</u>
Arthur F. Armstrong	630 Southborough Drive, West Vancouver, B.C.
H. Clark Bentall	2194 S. W. Marine Drive, Vancouver, B.C.
Harrison F. Dunning	12 Shady Hill Road, Moylan, Pennsylvania.
A. Donald Lauder	1668 West 40th, Vancouver, B.C.
George L. O'Leary	985 King George's Way, West Vancouver, B.C.
G. Willing Pepper	1526 Mount Pleasant Road, Villanova, P.A.
Renault St. Laurent, Q.C.	1150 Vaugelin Avenue, Sillery, P.Q.
Harold A. Shaub	824 Mount Pleasant Road, Bryn, Mawr, P.A.
Horace F. Winchell	#301-75 Glengarry, Town of Mount Royal, P.Q.

## CERTIFICATE

Pursuant to a resolution duly passed by its Board of Directors, Scott Paper Limited hereby applies for listing of the above-mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted thereof are true and correct.

## SCOTT PAPER LIMITED



Per: "P. J. PETERS",  
Secretary

Per: "W. C. CARLSON",  
Treasurer

## DISTRIBUTION OF COMMON STOCK AS OF AUGUST 20th, 1968

Number		Shares
380	Holders of 1 — 24 share lots .....	5,291
462	" " 25 — 99 " " .....	24,677
377	" " 100 — 199 " " .....	41,352
183	" " 200 — 299 " " .....	37,732
50	" " 300 — 399 " " .....	15,480
34	" " 400 — 499 " " .....	12,319
57	" " 500 — 999 " " .....	35,319
53	" " 1000 — up " " .....	627,830
<u>1,596</u>	Shareholders	<u>800,000</u>
	Total Shares	<u>800,000</u>



# FINANCIAL STATEMENTS

## SCOTT PAPER LIMITED

### STATEMENT OF FINANCIAL POSITION—DECEMBER 31, 1967 (with comparable balances as at December 31, 1966)

	1967	1966
<b>CURRENT ASSETS:</b>		
Cash .....	\$ 22,875	\$ 23,775
Trade and other accounts receivable .....	2,632,899	3,274,464
Inventories, at the lower of cost or market .....	5,650,984	5,096,356
Income taxes recoverable .....	—	43,955
Prepaid expenses .....	152,316	222,505
	<u>8,459,074</u>	<u>8,661,055</u>
<b>CURRENT LIABILITIES:</b>		
Short-term bank indebtedness and, in 1966, short-term notes payable .....	3,154,567	3,732,032
Accounts payable and accrued liabilities .....	2,336,267	2,392,035
Income taxes payable (Note 1) .....	819,931	—
	<u>6,310,765</u>	<u>6,124,067</u>
Working capital .....	<u>2,148,309</u>	<u>2,536,988</u>
Add—		
<b>NON-CURRENT ASSETS:</b>		
Fixed assets (Note 2) .....	15,884,709	15,483,470
Special refundable tax .....	88,487	64,000
Miscellaneous assets .....	239,372	210,872
	<u>16,212,568</u>	<u>15,758,342</u>
Deduct—		
<b>NON-CURRENT LIABILITIES:</b>		
Bank loan payable March 6, 1969 .....	1,000,000	1,700,000
Net assets .....	<u>\$17,360,877</u>	<u>\$16,595,330</u>
<b>SHAREHOLDERS' INTEREST:</b>		
Share capital (Note 3) .....	\$ 6,600,000	\$ 6,600,000
Income retained in the business (Note 1) .....	10,760,877	9,995,330
	<u>\$17,360,877</u>	<u>\$16,595,330</u>

APPROVED ON BEHALF OF THE BOARD:

“ARTHUR F. ARMSTRONG”,  
Director

“ROBERT J. HEALEY”,  
Director



# SCOTT PAPER LIMITED

## STATEMENT OF INCOME AND INCOME RETAINED IN THE BUSINESS

FOR THE YEAR ENDED DECEMBER 31, 1967  
(with comparable amounts for the year ended December 31, 1966)

	1967	1966
Sales, less allowances and after deducting Federal sales tax of \$2,669,729 (1966—\$2,278,118) ....	\$29,894,487	\$27,303,059
Expenses:		
Cost of products sold (Note 4) ....	20,031,988	18,144,176
Selling and distribution expenses ....	6,226,163	5,903,987
Administrative and general expenses (Note 4) ....	1,137,307	1,471,907
Interest expense ....	243,482	324,534
	27,638,940	25,844,604
Income before deducting income taxes ....	2,255,547	1,458,455
Income taxes (Note 1) ....	850,000	100,000
Income for the year ....	1,405,547	1,358,455
Income retained in the business at the beginning of the year ....	9,995,330	9,276,875
	11,400,877	10,635,330
Dividends—80¢ per share ....	640,000	640,000
Income retained in the business at the end of the year ....	\$10,760,877	\$ 9,995,330

NOTE: Expenses include depreciation (Note 1) of \$1,079,069 (1966—\$1,062,581) and directors' fees and the remuneration of officers who are also directors, of \$123,845 (1966—\$119,257).

## STATEMENT OF SOURCE AND DISPOSITION OF WORKING CAPITAL

FOR THE YEAR ENDED DECEMBER 31, 1967  
(with comparable amounts for the year ended December 31, 1966)

	1967	1966
Source:		
Income for the year ....	\$1,405,547	\$1,358,455
Add—		
Charges which did not involve an outlay of working capital—		
Depreciation (Note 1) ....	1,079,069	1,062,581
Amortization of deferred charges ....	—	220,238
	2,484,616	2,641,274
Disposition:		
Net additions to fixed assets ....	1,480,308	1,416,520
Dividends ....	640,000	640,000
Decrease in bank loan ....	700,000	300,000
Net increase in special refundable tax ....	24,487	64,000
Net increase in miscellaneous assets ....	28,500	4,030
	2,873,295	2,424,550
Increase (decrease) in working capital during the year ....	(388,679)	216,724
Add—		
Working capital at beginning of the year ....	2,536,988	2,320,264
Working capital at end of the year ....	\$2,148,309	\$2,536,988



# SCOTT PAPER LIMITED

## NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 1967

### Note 1—Income taxes and depreciation:

The Company continued its policy of charging against earnings only income taxes actually payable after claiming maximum capital cost allowances available for tax purposes. It is also the Company's policy to provide for depreciation in the accounts substantially on a straight-line basis at rates estimated to amortize the cost of the related assets over their useful lives. Because capital cost allowances have exceeded depreciation recorded in the accounts these policies resulted in a reduction of \$447,000—56¢ per share—in income taxes otherwise payable in 1967 as compared with \$790,000—99¢ per share—in 1966. The accumulated total of these income tax reductions up to December 31, 1967 amounted to approximately \$3,902,000.

### Note 2—Fixed assets:

	December 31	
	1967	1966
Land, at cost	\$ 304,363	\$ 274,637
Buildings, machinery and equipment, at cost	27,859,193	26,445,126
Less—		
Accumulated depreciation	12,278,847	11,236,293
Net book value of depreciable assets (in respect of which available future capital cost allowances amount to approximately \$7,775,000 — see Note 1)	15,580,346	15,208,833
	<u>\$15,884,709</u>	<u>\$15,483,470</u>

### Note 3—Share capital:

The authorized share capital of the Company consists of 2,000,000 common shares without par value of which 800,000 are issued and outstanding.

Of the 1,200,000 unissued shares, 50,000 are reserved for options under the "Key Employees' Stock Option Plan". As at December 31, 1967 options to purchase 10,250 shares have been granted (but not yet exercised) at prices of \$30.62 and \$36.75 per share, valid for varying dates to 1974.

### Note 4—Change in accounting classifications:

A revision of the Company's classification of accounts in 1967 resulted in changes in the distribution of certain expenses. If the 1967 expenses had been allocated on the same basis as was used in 1966 and prior years administrative and general expenses would have been increased and cost of products sold reduced by approximately \$390,000.

## AUDITORS' REPORT

To the Shareholders,

Scott Paper Limited:

We have examined the statement of financial position of Scott Paper Limited as at December 31, 1967 and the statements of income and income retained in the business and source and disposition of working capital for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at December 31, 1967 and the results of its operations and the source and disposition of its working capital for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Price Waterhouse & Co.  
Chartered Accountants



# SCOTT PAPER LIMITED

## STATEMENT OF INCOME FOR THE FIRST SIX MONTHS OF 1968 (with corresponding amounts for 1967)

	First Half 1968	First Half 1967
Sales, less discounts and allowances .....	\$17,384,638	\$15,586,725
Expenses:		
Cost of products sold (Note 1) .....	11,550,093	10,572,517
Marketing, general, administrative and development expenses .....	4,280,718	3,898,763
	<u>\$15,830,811</u>	<u>\$14,471,280</u>
Income before taxes .....	1,553,827	1,115,445
Provision for taxes on income (Note 2) .....	823,528	420,355*
Income after taxes for the period .....	<u>\$ 730,299</u>	<u>\$ 695,090</u>
Income per share after taxes (Note 2) .....	\$ .91	\$ .87
Dividend paid per share .....	.40	.40
Number of common shares outstanding .....	800,000	800,000

\*The provision for taxes for the first six months of 1967 has been adjusted to reflect the six months share of the taxes actually paid for that year.

## STATEMENT OF SOURCE AND DISPOSITION OF WORKING CAPITAL FOR THE SIX MONTHS ENDED JUNE 29, 1968 (with corresponding amounts for the six months ended July 1, 1967)

	First Half 1968	First Half 1967
Source:		
Income for the period .....	\$ 730,299	\$ 695,090
Add—		
Charges which did not involve an outlay of working capital—		
Depreciation (Note 1) .....	564,762	528,009
	<u>\$ 1,295,061</u>	<u>\$ 1,223,099</u>
Disposition:		
Net additions to fixed assets .....	795,703	716,003
Dividends .....	320,000	320,000
Increase in special refundable tax .....	—	56,487
Net increase in miscellaneous amounts .....	1,249	3,500
	<u>\$ 1,116,952</u>	<u>\$ 1,095,990</u>
Increase in working capital during the period .....	178,109	127,109
Add—		
Working capital at beginning of the year .....	2,148,309	2,536,988
Working capital at end of the period .....	<u>\$ 2,326,418</u>	<u>\$ 2,664,097</u>

### NOTES:—

- (1) Cost of products sold includes depreciation of \$564,762 for the first six months of 1968 compared with with \$528,009 for the first six months of 1967.
- (2) In 1967 capital cost allowances claimed for income tax purposes were considerably in excess of depreciation charges in the accounts resulting in a reduction of approximately \$221,000 in income taxes otherwise payable for the first six months and in an effective tax rate of 37.7%. In 1968, however, it is anticipated that maximum capital cost allowances available will be equal to the depreciation charges, resulting in an effective tax rate of approximately 53%, and accordingly, no corresponding reduction in the income tax liability is expected.

In accordance with the recommendations of the Canadian Institute of Chartered Accountants regarding income taxes, the company has decided to change from reporting its results on the "cash flow through" basis followed in 1967 and prior years to the "tax allocation" basis beginning in 1968. Under either method of reporting the provision for taxes in 1968 would be similar in amount at approximately a 53% rate.

"W. C. CARLSON",  
Treasurer and Assistant Secretary











